

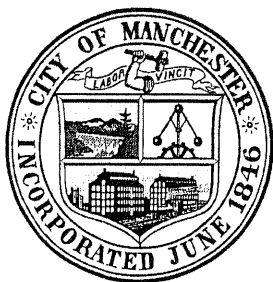
AGENDA

SPECIAL COMMITTEE ON BASEBALL/RIVERFRONT DEVELOPMENT

December 16, 2003
Aldermen O'Neil, Guinta,
Sysyn, Garrity, Smith

5:30 PM
Aldermanic Chambers
City Hall (3rd Floor)

1. Chairman Wihby calls the meeting to order.
2. The Clerk calls the roll.
3. Update on Gill Stadium.
4. Communication from Kevin Clougherty, Finance Officer, regarding the allowance of a land acquisition reimbursement relating to the Riverfront Development Project.
Ladies and Gentlemen, what is your pleasure?
5. Discussion regarding appraisals.
6. Any other business which may come before the committee.
7. If there is no further business, a motion is in order to adjourn.



City of Manchester
Department of Finance

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Manchester, New Hampshire 03101
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IN BOARD OF MAYOR & ALDERMEN

DATE: December 2, 2003

ON MOTION OF ALD. O'Neil

SECONDED BY ALD. Garrity

VOTED TO refer to the Special Committee
on Baseball/Riverfront
Development.

[Signature]
CITY CLERK

November 21, 2003

The Honorable Board of Mayor and Aldermen
C/o City Clerk Office
One City Hall Plaza
Manchester, NH 03101

Dear Honorable Board:

This letter is submitted in response to the apparent confusion surrounding the allowance of a land acquisition reimbursement relating to the Riverfront Development Project. Please be reminded that at the time the baseball stadium and associated development project was originally proposed, Singer Park was experiencing significant financial difficulty that stood as an impediment to any development of that property. At that time the Developer agreed to settle all debts related to the Singer Park property (totaling \$1,143,915), at their own financial risk and with no guarantee that a Riverfront Project would ever materialize. However, at no time did the developer ever formally surrender any rights to recapture that investment.

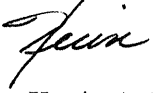
The documents approved by the BMA and signed by the Mayor constitute a financing agreement that allows the developer significant flexibility to construct a minor league baseball stadium. If the developer chooses to be reimbursed out of bond proceeds for acquisition costs related to Singer Park, that is allowable, and, remember, the developer is also covering the cost of associated debt service. The \$1.1 million used by the developer to secure the land at Singer Park should not be confused with the \$1 million contributed by the developer for improvements to Gill Stadium. That is a different \$1 million.

A month ago, I appeared before the Board to discuss the concept of escrowing municipal securities provided by the Developer in lieu of a formal letter of credit. At that time I informed the BMA that I was sitting on payments due to the Developer relating to reimbursements for the development of the riverfront property. The BMA allowed up to \$2 million in payments if securities were presented. Tuesday evening I informed the Special Committee that I was in receipt of the letters of credit and that I would be proceeding with the bond sale and the reimbursements. Therefore, early this week the associated payments have been released in accordance with the signed agreements.

One final point, I have moved forward with the sale of the bonds and have received very good preliminary results that I hope to share with the Board in the very near future.

I hope this explanation is helpful and I apologize for any confusion on this matter. This is a very complex multi-dimensional project with many documents and parties involved. The Finance staff and consultants will be happy to meet with any aldermen that wish to obtain additional information.

Sincerely,



Kevin A Clougherty
Finance Officer

Cc: Walter McCabe
Randy Sherman

